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ANALYSIS BRANCH

FROM : Amembassy BEIRUT

DATE: February 2, 1972

SUBJECT : The Situation in Iraq

REF : BEIRUT 10233, November 18, 1971

Introduction and Summary

In a series of four articles that appeared in Beirut's L'Orient-Le Jour some weeks ago (extracts and summaries are attached), Lebanese journalist Edward Saab set forth a number of interesting and provocative views on the current situation in Iraq. As reported in BEIRUT 10233, Saab appeared convinced that the Ba'thist regime -- its internal position strengthened by fortunate economic developments and by its alleged success in defusing the threat of Kurdish, Communist and other domestic opposition -- is about to embark on a major effort to expand its influence in the Arab East, especially in the Persian Gulf.

Enclosures:

- (1) First Saab Article on Iraq
- (2) Second Saab Article on Iraq
- (3) Third Saab Article on Iraq
- (4) Saab Interviews Barzani

GROUP 3

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We found both the Department's and Embassy Tehran's initial reactions (STATE 213299 and Tehran 6586) to Saab's observations highly useful. We have paid close attention to them in attempting to assess the information and conclusions contained in Saab's reporting. We have also had the opportunity to discuss Saab's views with a number of reasonably well-informed observers of Iraqi affairs in Beirut -- e.g., Iraqi exiles who maintain close contact with developments at home, our foreign diplomatic colleagues, and western newsmen who attended the National Charter unveiling at Baghdad last November. While their opinions undoubtedly reflect a degree of subjectivity and, in some cases, even self-interest, they tend generally to correspond with the Department's assessment of the situation in Iraq, and they are at variance with Saab's observations in some important respects.

One is tempted to conclude that Saab, while essentially accurate on many facts, has built on those facts an analysis which contains unfounded and probably erroneous conclusions about the internal situation in Iraq, the degree of control exercised by the ruling Ba'ath Party, and the GOI's ability to make its influence felt beyond its borders in the months and years ahead. On the other hand, Saab apparently saw an unusually interesting collection of key Iraqi political figures, and his analyses of the complex inter-relationships between the Ba'th, the Communist Party of Iraq (CPI) and the Kurdish Democratic Party (KDP) are revealing -- even if his conclusions regarding the future of Iraqi Ba'thism turn out to be erroneous. Saab appears to have assessed accurately the strong Soviet support for the GOI. His assessment of Iraq's economic potential and development prospects appears reasonably accurate, although (as the Department points out) there are ample precedents for questioning the Central Government's ability to harness them in a comprehensive and effective manner. Finally, Saab's picture of Ba'thist aspirations, both domestic and external, is also interesting -- if only as an indication of the regime's capacity for grandiose self-delusion.

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In the following commentary, we shall try to play devil's advocate with respect to some of Saab's observations and hopefully, by comparing them to our own impressions and those contained in STATE 213299, put them in better perspective. **END SUMMARY.**

Internal Political Situation

Saab's main thesis -- that the Ba'athist regime, its internal position having been made secure by the elimination or neutralization of its domestic opposition, today feels able to assume a stronger role in area affairs -- can easily be viewed from the opposite angle. The proclamation of a National Charter and the public invitation to "progressive forces" to participate in the regime's advisory councils, instead of being a sign of the regime's confidence in its secure and undisputed possession of power, could just as well be a sign of insecurity and a frantic attempt to bolster its image at home. Proponents of this latter view contend that, instead of having successfully neutralized domestic opposition, the regime's nervous policies and heavy-handed actions (c.f., Amman 5607) have actually increased and crystallized it to the point where an opportunity exists for any force capable of mobilizing popular hatred and discontent into a broadly-based opposition movement. As noted in Beirut 9689 and reports from Tehran in CAS and State channels, Kurdish leaders seem confident of Barzani's ability to organize such a movement.

Saab is not alone in believing that Barzani, despite his obvious dissatisfaction with the GOI's performance in implementing the provisions of the March 1970 settlement agreement, has seen his influence increasingly eroded by the regime's efforts to develop an economic, if not political, stake for the Kurdish population within the existing system. The respected an Nahar Arab Report of January 3 indicated that Barzani and the KDP, while they bear no love for the GOI and would certainly welcome any opportunity to exploit its weaknesses, found it expedient to conclude an interim agreement with Iraqi Foreign Minister Murtada Hadihi in mid-December. In this agreement, the Baghdad authorities

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reportedly conceded an unspecified number of outstanding issues to the Kurds and, by so doing, went far toward removing what had been the imminent prospect of a Kurdish uprising in the North.

It seems true, as Saab says, that the GOI has implemented those portions of the March 1970 agreement calculated to improve its political, psychological and military position in the Kurdish north. Although we have no way of checking Saab's figures, there appears little doubt that considerable strides have been made in the construction of roads, schools and housing. At the same time, there is nothing (apart from the isolated and cryptic an Nahar report mentioned above) to indicate that the regime has done anything to implement other portions of the agreement, particularly those that provide -- albeit in vague terms -- for some form of effective political autonomy for the Kurds. (If only for the record, it should be noted that the GOI reportedly has been paying Barzani a regular monthly subsidy of 300,000 dinars, and that it did turn over to him those anti-Barzani Kurds who supported the regime in the last round of fighting).

It seems clear from Saab's contentious interview with Barzani that the Mullah, far from being seduced by the material benefits accruing to his people since the March 1970 settlement, is totally intransigent toward and suspicious of the authorities in Baghdad -- so much so, in fact, that Saab says the Soviets became alarmed at the tone of some of Barzani's remarks and prevailed on Saab to delete them from the published text. (Even so, newsmen returning from Baghdad have told us that the text as published left the Iraqi Government furious at Saab.) Neither Barzani nor the KDP -- which, as Saab points out, has tended increasingly to reflect Barzani's influence -- seems at all prepared to settle for the mere trappings of an autonomy (i.e., five "ministerial" positions and participation in a "National Front") that allows the Ba'thists to retain all the essentials of real political power in their own hands. Our contacts among Iraqi emigrés in Beirut who claim to have close ties with Kurdish nationalists assert

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that the bulk of the Kurdish population shares these sentiments and is more united behind Barzani than at any time in the past. If so, the rulers in Baghdad may only be fooling themselves if they believe Barzani and the KDP have been effectively neutralized and that, in the event of a renewal of Iraqi-Kurdish hostilities, they would not command the support of the Kurdish masses.

Saab's estimate that Barzani's forces have been circumscribed or otherwise put at a military disadvantage vis-a-vis the GOI also seems questionable. His claim that Iraqi troops now hold many strategic positions in areas never before controlled by the regime is dismissed as nonsense by many of our informants, who make the counter-claim that the exact opposite is true. Not surprisingly, the GOI has attempted to continue its past practice of using Kurds (now grouped in army units officiated by Iraqi Arabs) to confront Barzani, but he is said to remain confident that such mercenaries will melt away when the first shots are fired. In fact, CAS reports already indicate a marked increase in Kurdish desertions from the Iraqi Army. (It is necessary here to recall that, due to the Iraqi Arab soldier's inability to cope with the climate and geography of north Iraq -- not to mention with the fighting qualities of the Pesh Merga -- the GOI was forced to employ some 15,000 anti-Barzani Kurds in the last round of fighting. As noted above, the regime left these mercenaries to Barzani's mercy after the March 1970 settlement, and memories of this experience may make it unlikely that many Kurds will be eager to cooperate with the regime against Barzani if fighting breaks out again.)

We note that one guiding principle of Ba'thism, which considers itself an elite movement uniquely qualified to rule, seems always to have been a total unwillingness to share power with any other political force, actual or potential. This may explain why the Iraqi Ba'th insists (as both President Bakr and Saddam Hussein Takriti made clear in November and December 1971) on the complete subordination of the Iraqi military to exclusive party control. Saab describes the Iraqi Army as a docile creature no longer posing a threat to the regime.

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If he is right (the regime appears to have been taking no chances at the July 17 military review in Baghdad), this docility -- achieved by relentless purges of unreliable elements -- may well have cost the army much of whatever effective fighting capacity it once possessed. One of our informants goes so far as to say that the army, in any renewal of hostilities with the Kurds, could not fight its way out of a wet paper bag. He maintains that in such circumstances, the regime could find itself in an impossible dilemma -- i.e., faced with having to accept humiliating military reverses that could bring about its collapse, or having to recall "unreliable" elements to key military positions, from which they could work enthusiastically to undermine the regime from within.

In light of the foregoing, Saab's implied contention that the GOI's alleged success in neutralizing Barzani argues against its involvement in the recent abortive attempt on his life is not particularly compelling. Even Saab reports Barzani's conviction that the regime engineered that bizarre attempt, since it believes (not without reason) that with his demise, the Kurdish problem would disappear in a welter of conflicting tribal and ideological differences among his followers. Barzani is doubtless aware of what seem to have been efforts by the regime to increase the fighting potential of his principal tribal enemies in conjunction with the assassination attempt. We are told he is also convinced that the Soviets, for reasons of their own, were at least aware of, if not actually behind, the plot to kill him. As a result, he seems even less inclined to trust in Ba'thist and Russian overtures aimed at gaining Kurdish acceptance of the National Charter.

The regime's explanation for its recent action in arresting several members of the KDP in Baghdad on charges of "subversive activity" and its more recent expulsions of Kurdish "undesirables" across the Iranian border are hardly likely to render him less suspicious. A January 17 AFP report from Tehran records Barzani as having gone so far as to accuse the GOI

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of planning the "extermination of the Kurds" and calling on his followers to resume the fight against Iraq.

We therefore find it hard to credit Saab's belief that the internal situation in Iraq will remain quiet long enough to permit the Ba'thist regime to turn its undivided attention to bolstering its political influence abroad. Recent news items from Tehran have already referred to clashes between Iraqi forces and the Kurds in the north, and CAS reports indicate that relations between the two sides are strained, with both Barzani and the GOI convinced that a renewal of hostilities is inevitable. Our British colleagues appear convinced that "something is brewing" that will involve not only a renewal of Kurdish-Iraqi hostilities, but also possibly an alliance between the Kurds and dissident Iraqi Arabs, some of whom have apparently taken refuge with Barzani and helped him seek external assistance. We recall that the KDP's Secretary-General, Habib Muhammad Karim, spoke of a coming popular Kurdish-Arab uprising in his November 2 meeting with us in Beirut (Beirut 9689 and subsequent memcon).

We are hardly in a position to predict the lengths to which the Iranian Government might be prepared to go in order to speed the downfall of an Iraqi regime that, as shown by recent mass expulsions, clashes and growing tension along the Iraqi-Iranian border, seems to delight in provoking and irritating its neighbor to the east. We gather from accounts received from some of our informants (and more or less confirmed by the British) that Iranian support for the Kurds in the last round of fighting was not exactly wholehearted — that, in fact, when a Kurdish coalition with dissident Iraqi Arabs was on the point of being realized in early 1970, it was spoiled by a clumsy Iranian (SAVAK) effort to mount a separate coup by anti-Ba'thist elements in Baghdad. The Iranian-backed conspiracy was easily penetrated by the GOI, and the plotters were "rubbed out" in a matter of a few hours. This traumatic experience is said to have cooled the ardor of Iraqi dissidents for further subversive activity, and the Kurds were forced to fight on alone until March 1970. This time around, say our informants, both the Iranians and dissident Iraqis can be expected to profit from 1970's sad

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experience to make common cause with Barzani and the KDP.

David Hirst of the Manchester Guardian reported recently from Baghdad that the Kurds already tend to view their cause as a rallying point for dissident Iraqi Arabs and can be expected to "present themselves as liberators rescuing Arabs and Kurds alike from 'the beasts in Baghdad'". While Hirst says the results of Barzani's contacts outside Iraq had been disappointing as of last November, he thinks there may be a better response as Kurdish-Ba'thist tensions continue to rise. One of our own informants contends that Barzani's search for external political support has already met with some success, particularly in Jordan where King Hussein has promised to urge the Shah to play a more active role in support of a Kurdish-led, anti-Ba'thist uprising in Iraq. (He says that a visit by Hussein to Tehran, which was postponed by the assassination of Wasfi Tal, will take place in the near future.) In view of the heightening of tensions along the Iraq-Iranian border, we wonder whether the Shah will require much urging by the GOJ.

Soviet Influence in Iraq

Saab's estimate that the Soviets, having established themselves in a position of considerable influence in Baghdad, are working assiduously to assure continued domestic tranquility in Iraq seems to be correct. The country is already dependent almost exclusively upon Moscow for arms, and in other respects (economic assistance, for example) the USSR -- perhaps mindful of the mistakes of Russian policy during Kasseem's time -- appears intent on identifying itself completely with the Ba'thist regime. It would seem that the Soviets are determined not only to protect the gains they have already won, but also to transform those gains into a position of ascendancy and paramount influence that could stand Moscow in good stead in the Middle East in years to come. Given Iraq's relative isolation in the Middle East, the ground appears fertile for the furtherance of such ambitions, and the Russians seem bent on making the most of it. A four-day visit by Marshall Grechko in mid-December resulted in an announcement of further Soviet-Iraqi cooperation aimed at "strengthening Iraq's defense

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capabilities" -- a statement that suggests the USSR will provide Iraq with additional weapons and other forms of military assistance.

The Soviets have also committed themselves increasingly to support for the Ba'thist regime in the field of economic and technical assistance. Beginning with a large-scale aid agreement concluded with Kassam's Government in 1959, Russian assistance by March 1970 had been responsible -- according to the official Iraqi News Agency -- for the completion of some 63 "major projects", including 14 in the industrial field, 9 in agriculture, 5 in communications and 5 training institutes. Russian experts also carried out a number of surveys in sulphur, oil and phosphates, and Soviet assistance since 1965 has played a primary role in the financing, planning and ongoing construction of the Euphrates dam. In 1969, the USSR managed to get a firm foothold in Iraq's oil industry by undertaking to help the Iraqi National Oil Company (INOC) develop and exploit oil resources in the southeastern Halfaya region and in the controversial North Rumaila area. Contracts forming part of this agreement included a \$70 million Soviet loan (repayable partly in crude oil) for the development of the North Rumaila field and a Soviet pledge to supply INOC with \$72 million in oil exploration equipment, along with technical advice as to its use.

In August 1970, the Ba'thist regime signed another economic protocol in Moscow for Iraqi-Soviet cooperation in new industrial projects, oil and mineral exploitation, agriculture, irrigation and transportation. Under this agreement, said to entail over 50 million Iraqi dinars, the Soviets were to supply industrial and agricultural equipment, experts and technicians in return for payment largely in the form of nationally-produced crude oil. Also in August 1970, there was established a joint Iraqi-Soviet Economic and Technical Committee, charged with supervising the progress of economic cooperation between the two countries. (It reportedly holds rotative annual meetings in Moscow and Baghdad).

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In April 1971, the Iraqi Government signed a 90 million sterling loan agreement with the Soviets at Baghdad, designed to meet the commitments of Soviet organizations engaged; inter alia, in constructing an oil refinery at Mosul and a pipeline between Baghdad and Basra. Other projects covered by the loan included the building of two hydroelectric stations in north Iraq, a phosphate mine in the western desert, a fertilizer plant, and several fishing schemes and dairy facilities. This loan agreement was followed in June by a new Iraqi-Soviet "protocol of cooperation", the details of which seem not to have been fully disclosed. From tidbits of information released by the Iraqi News Agency, however, we gather that it relates to further Soviet assistance in developing the North Rumeila oil field and establishing the al Tharthar Canal irrigation project. A separate USSR-Iraqi irrigation accord was signed last October, committing the Soviets to provide water-drilling machinery and financing for a network of agricultural projects in the Tigris and Euphrates river basins. Under the same accord, the Russians have undertaken to assist in the desalination and reclamation of five million dunums of land in central Iraq.

This thumbnail sketch of Soviet economic and technical commitments to Iraq -- ranging from marine biology to petrochemicals, the granting of advanced vocational training opportunities in the USSR and Soviet bloc nations -- all these also play an important role. Taken together with the heavy Soviet stake in Iraq's economic future, they paint a picture of massive Russian involvement that can hardly fail to be reflected in political terms.

While it is correct to say that Ba'thist opposition to a peaceful settlement of the Arab-Israeli conflict poses a

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potential source of difficulty for Soviet-Iraqi (not to mention Soviet-Syrian) relations, this apparent contradiction is not likely to cause problems until a settlement appears imminent. Until then, the USSR can afford to espouse Resolution 242 in Cairo and consolidate its position in Baghdad and Damascus at the same time. In fact, if a peaceful settlement should prove attainable and lead to a weakening of the Soviet presence and influence in Egypt, the Russians might hope to retain the foothold in the Arab world that their support for Ba'thist regimes is winning them in Iraq and Syria. If, on the other hand, Sadat's policies of pursuing a peaceful settlement should be totally discredited, the Soviets could find themselves in a position of increased influence in Iraq (and Syria).

A far more important risk for Soviet policy in both Iraq and Syria, in our view, lies in the unpredictability of political developments in those countries. In Iraq, assuming that the present political situation does not prove stable -- i.e., that Barzani and his allies (or others) are somehow able to overthrow the Ba'thist regime -- the Russians are likely to find that their policy of identification with the Ba'thists has won them an embarrassing backlash of popular resentment.

With the Soviets viewing their support for the Central Government in Baghdad as a vehicle for increasing and consolidating their influence in Iraq, it would seem quite logical for them to be pressing the CPI and the Kurds to avoid trouble with the Ba'thist regime. As far as the CPI is concerned, Soviet views would seem to be having the desired effect. We note that the official Ba'thist organ, al Thawra, on December 1 carried an announcement that the Iraqi Communist Party's Central Committee had decided to endorse the National Charter and participate, at least for the moment, in the system of advisory councils it envisages. Judging from what Saab (and others with whom we have talked) has to say regarding the hate for and suspicions of the regime entertained by many Iraqi communists, this decision could have come only after considerable Party discipline had been exacted by Moscow. We note that CPI delegates to the recent Lebanese Communist

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Party Congress at Beirut were united in their criticism of the Baghdad regime. (In contrast, the KDP spokesman at the Congress went so far as to express concern over the "appearance of negative signs" in Kurdish-Iraqi relations and the prospect that this trend could lead to a renewal of fighting in Iraq. He attributed the trend to unnamed "elements who want to check the aspirations of the Kurdish people and blow up the greatest gains of our long years of struggle....").

As for the Kurds, including the KDP, there may have been a time when Soviet influence was a decisive factor in the deliberations of Kurdish inner councils. (We gather that Russian pressure on Barzani had a lot to do with bringing about Kurdish agreement to the March 1970 settlement proposals). However, as mentioned above, Barzani is reportedly convinced that the Soviet Union was party to the plot to assassinate him last September. Moreover, the Kurds are not fools -- they can read Russian intentions as well as anybody -- and they doubtless can see that Soviet influence and support is wholly at the service of their adversaries in Baghdad. We are informed that the Russian Ambassador in Baghdad has visited Barzani at least twice in recent months in an attempt to persuade the Mullah to moderate his attitude toward the Ba'thist regime and endorse Kurdish participation in the front envisaged in the National Charter. However, Barzani, according to our informants, is no longer disposed to pay much attention to Soviet advice. Despite a recent report in pro-Iraqi newspapers in Beirut that he has "approved" the Charter, we have seen nothing to confirm this and are inclined to doubt it. (We have noted reports that the KDP organ, al Taakhi, was strongly rebuked by the party for having printed an unauthorized editorial praising the Charter effort. New York Times reporter Marvine Howe has told us she believes the al Taakhi editors are more sympathetic to the GOI than to Barzani. On the other hand, it is possible that the regime could have brought pressure to bear on the al Taakhi staff. We heard in October that two staff members had been arrested by the GOI and that one editor, Guirgis Fathallah, was having qualms about remaining in Baghdad).

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Iraqi Economic Situation

We do not dispute Saab's assessment of Iraq's considerable economic potential, and his figures regarding the extent to which the Ba'thist regime is beginning to develop the country's abundant natural resources are interesting.

Iraqi oil revenues, already given a large boost by the agreement concluded between OPEC and the oil companies in February 1971 and by the January 1972 increase of 8.49 percent in the posted price to offset the dollar devaluation, can be expected to soar further in the future if the regime's ambitious plans for national oil development are carried through. A ten-year \$1.8 billion development program, approved by the Revolutionary Command Council in late December, envisages the doubling of national oil production by 1981 through projected annual increases of ten percent over the next decade. The program will finance increases in prospecting, exploration and drilling activity; the expansion of crude oil and gas reserves; the construction of new pipelines and harbor facilities; and the search for new international consumer markets for Iraqi oil and gas products. It calls for INOC to build a number of pipelines to Gulf and Mediterranean ports, as well as a deep-water Gulf terminal to handle giant tankers. (Iraq and Syria have agreed to conduct a survey for a new pipeline to transit Syria, but they have not yet reached agreement on the construction or operation of such a pipeline.) As Saab points out, INOC is also buying seven small (35,000 ton) tankers from Spain (under a barter agreement) for delivery over the next several years, and it has leased additional tankers from the USSR so as to be in a position to export nationally-produced crude oil early in 1972. In addition, the GOI has entered into several agreements with foreign countries (e.g., Brazil and North Korea) for marketing relatively small amounts of crude oil.

Saab fails to point out that Iraq's ambitious plans for exporting oil produced by INOC depend on its ability to market production from the North Rumaila field, which was in effect

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confiscated from IPC in 1962 under Law 80. With the assistance of the Soviet Union and other Bloc nations, the development of wells, pipelines and an export terminal at Fao will be completed in the near future, and INOC will be able to export crude oil early in 1972. However, the GOI-IPC controversy over Law 80 remains unsettled, and there is some doubt, in the short-run at least, over INOC's ability to market substantial quantities of such oil. In addition, Saab does not mention the sharp decrease in IPC offtake from Iraq's northern fields which began in the second quarter of 1971, and which resulted in a substantial reduction of the GOI's anticipated revenues. Offtake returned to normal in December 1971, but as IPC exports are directly related to tanker rates which have fluctuated drastically over the past several years, it is not at all certain that offtake will continue at near-capacity levels.

Another noteworthy development was the announcement on January 3 of a Chinese-Iraqi trade agreement under which China will import a minimum of 100,000 tons of Iraqi sulphur annually for five years. In addition, according to the Iraqi News Agency, a team of Chinese experts will visit Iraq shortly to study a number of development projects that will be carried out under a \$40 million loan which China granted to the GOI in an agreement signed at Peking in June 1971.

Grandiose plans, of course, are one thing; the ability of a government to implement them effectively and efficiently is quite another. As the Department has observed, Iraqi governments in the past have displayed little understanding of how to exploit the country's resources in a comprehensive and rational manner. We note, in this regard, that the present Iraqi regime seems to have made a point of reducing its dependence on purely Iraqi expertise by importing more competent technical advice from abroad. This policy may well be a matter of necessity as a result of the exodus from Iraq of "reactionary" elements who were the best educated (Syria has had a similar experience under Ba'athist rule). We wonder to what extent Saab's rosy view of the regime's capacity for coherent economic planning and development was influenced

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by the presence of foreign advisers, mainly Russians, East Europeans and Algerians, at various levels in government and industry. One can only speculate whether this new reservoir of talent and experience will help the regime's efforts at economic development to produce results appreciably better than those of its predecessors. Saab himself admits that many of the regime's most ambitious projects in the fields of irrigation, agriculture and industry are still in their pilot or experimental stages. In view of Iraq's need for cash to finance military expenditures and help repay its debts to the Soviet Union and other creditors, it remains to be seen how efficiently and rapidly development projects can be implemented on a larger scale in the future.

Given proper planning for using its increased revenues, there seems little doubt that with a period of stability and continued prosperity at home, Iraq could be in a position to assert its political influence more heavily in the Gulf and elsewhere in the Arab world. However, the sine qua non -- internal stability -- seems to us a more fragile flower than Saab is willing to admit. Should it wither, his whole vision of a renaissance, aggressive Ba'thist Iraq exercising a powerful influence on regional politics could collapse like a house of cards. We wonder, in fact, whether the inner dynamics of a minority Ba'thist rule with its regime of fear do not contradict Saab's image of stability and prosperity. The experience of Syria before the Assad regime came to power with a Ba'thist label but a more pragmatic approach provides an illustrative example.

Iraqi Influence in the Area

We agree with the Department and Tehran that there have been no indications of a significant increase in Iraqi influence in the Arab East or in the Gulf. Saab, however, was engaging in a long-term prediction based upon his thesis of Iraq's internal political stability and considerable economic potential. He is not entirely alone, moreover, in his assessment that the prospect (however illusory) of continued stability is encouraging the GOI to pay more attention to increasing its

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political influence abroad. We have seen indications of considerable emphasis being given to Iraqi ambitions in Iran, the Gulf and other Arab states over the next five years, and there is no reason to believe that the blow struck at Iraqi pretensions by Iran's recent seizure of islands in the lower Gulf has discouraged these plans from being carried forward. One fairly convincing indication of Iraq's growing potential for making its weight felt in the Arab world is the attitude of the Syrian Government, which is said to be growing increasingly concerned about the strength of the Iraqi regime and, in response partly to Soviet pressure, has taken some steps toward improving its relations with the rulers in Baghdad. (In addition to the joint oil projects, a Syrian delegation was reported to have arrived at Baghdad on December 27 for four days of talks with the GOI on the old and long-discussed issue of sharing the waters of the Euphrates, as well as on bilateral trade and transit relations.)

In addition, we note that at last month's OAPEC meeting in Abu Dhabi, Saudi Arabia reversed its long-standing policy of opposing Iraqi membership in OAPEC -- a development that should lead to Iraq's admission to the organization early this year and enhance its growing position as a voice to be reckoned with in Arab petroleum affairs.

In conclusion, it should be noted that from what we know of Saab's views about the Middle East in general, his predictions are also based on an assumption that efforts to find a peaceful settlement to the Arab-Israeli conflict will not succeed -- thereby favoring the harder-line countries such as Iraq over those (such as Egypt) which have been pursuing a more moderate approach. Finally, despite his qualities as a reporter with excellent contacts in many Arab circles, Saab is also wont to give himself over to wishful thinking as to future Arab strength.

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